

MINUTES  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 81  
OF HARRIS COUNTY, TEXAS

August 22, 2019

The Board of Directors ("Board") of Harris County Municipal Utility District No. 81 of Harris County, Texas (the "District"), met in regular session, open to the public, at 805 Hidden Canyon Drive, Katy, Texas 77450, inside the boundaries of the District, on the 22nd day of August, 2019, and the roll was called of the duly constituted members of the Board of Director, to-wit:

John Savage	President
George Goff	Vice President
Patrick Cathcart	Secretary
Donna Brown	Treasurer
Bruce Cox	Assistant Secretary

and all of said persons were present, thus constituting a quorum.

Also present were Virginia Goff, a member of the public; Samantha Jones of Robert W. Baird & Co. Incorporated; Ryan Fortner of Wheeler and Associates, Inc. ("Wheeler"); Charlie Chapline of Municipal District Services, L.L.C. ("MDS"); Pam Redden of McLennan & Associates, L.P. ("McLennan"); Doug Baker of BGE, Inc. ("BGE"); Starr Johnson and Doris Vogt, District employees; and Katie Carner and Kim Cannon of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the July 25, 2019, regular meeting. After discussion, Director Cathcart moved to approve the minutes of the July 25, 2019, regular meeting. Director Brown seconded the motion, which carried by unanimous vote.

TAX ASSESSOR/COLLECTOR REPORT

Mr. Fortner reviewed the tax assessor/collector's report for the month of July, a copy of which is attached. He stated the report reflects that the District's 2018 taxes were 98.06% collected as of the end of July. After discussion, Director Cathcart moved to approve the tax assessor/collector's report and pay the bills from the tax account. Director Cox seconded the motion, which carried by unanimous vote.

Mr. Fortner reviewed a delinquent tax roll, a copy of which is attached to the tax assessor's report.

## DISCUSS 2019 TAX RATE, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

Ms. Jones reviewed a tax rate analysis with the Board, a copy of which is attached. She recommended a total tax rate for 2019 of \$0.30 per \$100 of assessed valuation, consisting of \$0.14 for debt service and \$0.16 for maintenance and operations. After review and discussion, Director Cathcart moved to (1) set a proposed 2019 tax rate of \$0.30 per \$100 of assessed valuation, consisting of \$0.14 for debt service and \$0.16 for maintenance and operations; (2) set a public hearing on September 26, 2019 at 6:00 p.m. regarding the proposed tax rate; and (3) authorize the tax assessor/collector to publish a notice of the public hearing in the Katy Times. Director Cox seconded the motion, which passed by unanimous vote.

## BOOKKEEPER'S REPORT

The Board reviewed the bookkeeper's report, a copy of which is attached. Ms. Redden reviewed each District account and the bills to be paid, as well as a budget to actual comparison.

Ms. Redden presented one additional check, check no. 15576 in the amount of \$59,412.49, payable to Vertical Flow for Pay Estimate No. 1 and final for the booster pump replacement at water plant no. 4.

Ms. Redden stated that there was a fraudulent charge in the general fund account in the amount of \$500.00. She stated that Compass Bank is in the process of reimbursing the District and issuing a new account number.

After discussion, Director Brown moved to approve the bookkeeper's report and the checks presented for payment, including the additional checks. Director Cathcart seconded the motion, which carried by unanimous vote.

## OPERATOR'S REPORT

Mr. Chapline reviewed a written operations report, a copy of which is attached. He reported that the District's water accountability was 95.2% for June 2019.

Mr. Chapline reviewed additional repair and maintenance items performed during the month.

Mr. Chapline reported there were two accounts totaling \$215.20 deemed to be uncollectible and requested authorization to write off said accounts and turn them over to a collection agency.

Mr. Chapline stated that the Cimarron Community Association contacted MDS regarding a sanitary sewer backup. He stated MDS televised the District sanitary sewer line near Pickford and Cimarron and found dried pool grout and tree roots in the line. Discussion ensued regarding the blockages and the responsible party for the cost of

repairing the line. The Board directed MDS to make the necessary repairs and to bring the invoices to next month's meeting.

#### REPORT ON REVIEW AND ABANDONMENT OF INTERCONNECTS

There was no discussion on this matter.

After review and discussion, Director Cathcart moved to (1) approve the operator's report; (2) write off the two delinquent account totaling \$215.20 which are deemed not to be collectible, submit same to a collection agency, and direct that the uncollectible account list be filed appropriately and retained in the District's official records; and (3) authorize MDS to repair the sanitary sewer line near Pickford and Cimarron. Director Cox seconded the motion, which carried by unanimous vote.

#### CUSTOMER REQUESTS

There were no customer requests.

#### TERMINATION OF SERVICE

The Board conducted a hearing regarding termination of water and sewer services. Mr. Chapline presented to the Board a list of delinquent customers. Ms. Johnson informed the Board that all of the residents on the termination list were delinquent in payment of utility bills and were given written notification prior to the meeting of the opportunity to appear before the Board of Directors to explain, contest, or correct their utility service bills and show reason why utility services should not be terminated for reasons of nonpayment. She stated that customers Molinas, P. Martin, and D. Martin requested an extension for payment of their delinquent accounts.

Following review and discussion, Director Cathcart moved to authorize that because none of the residents on the list were present at the meeting nor had presented any written statement on the matter, the utility service for the customers on the list should be terminated on August 28, 2019, if their utility bills are not paid in accordance with the District's Rate Order, except for customers Molinas, P. Martin, and D. Martin and direct that the delinquent customer list be filed appropriately and retained in the District's official records. Director Brown seconded the motion, which passed unanimously.

#### ENGINEER'S REPORT

Mr. Baker presented the engineer's report, a copy of which is attached.

#### NATURAL GAS GENERATOR AND MOTOR CONTROL CENTER ("MCC") REPLACEMENT AT WATER PLANT NO. 4

Mr. Baker stated the contractor for the natural gas generator and MMC replacement at water plant no. 4 is McDonald Municipal and Industrial, a

Division of C.F. McDonald Electric ("McDonald"). He stated the total project amount is \$778,469.00.

#### REPLACEMENT OF BOOSTER PUMPS AND MOTOR AT WATER PLANT NO. 4

Mr. Baker updated the Board on the booster pumps and motor replacement at water plant no. 4 and stated the project is complete. He reviewed and recommended approval of Pay Estimate No. 1 and Final, payable to Vertical Flow, in the amount of \$59,412.40. He then recommended that the Board accept the project.

#### DRINKING WATER QUALITY, INCLUDING PROPOSAL FOR WATER PLANT NO. 4 WATER WELL NO. 4 TELEVISIONING AND PROFILING

Mr. Baker discussed water quality samples taken from each well. Mr. Baker presented a proposal from BGE in the amount of \$30,000.00 for engineering work in connection with the profiling of water well no. 4. He requested authorization to solicit bids for the profiling. After discussion, Director Cox moved to approve the proposal from BGE and authorize BGE to solicit bids for the inspection of well no. 4. Director Cathcart seconded the motion, which carried by unanimous vote.

#### TELEVISIONING OF CIMARRON SUBDIVISION SEWER LINES, SECTIONS 1 AND 2

Mr. Baker stated BGE received three proposals for televising of the sanitary sewer lines for Memorial Parkway Sections 1 and 2. Mr. Baker reported that Chief Solutions, Inc. ("CS") submitted the lowest bid in the amount of \$50,549.70 and recommend that the Board award the contract to CS. The Board concurred that, in its judgment, CS was a responsible bidder who would be most advantageous to the District and would result in the best and most economical completion of the project. Following review and discussion, Director Cathcart moved to award the contract to the CS in the amount of \$50,549.70 for televising of the sanitary sewer lines for Memorial Parkway Sections 1 and 2, as recommend by the engineer, and approve a Service Agreement with CS for same. Director Cox seconded the motion, which carried by unanimous vote.

#### HARRIS COUNTY PRECINCT 3 EXTENSION OF THE HIKE AND BIKE TRAIL WEST OF MASON ROAD

Ms. Carner stated that Harris County's construction of the hike and bike trail extension has begun.

## CAPITAL IMPROVEMENT PLAN

Mr. Baker distributed and reviewed an updated capital improvement plan ("CIP"), a copy of which is attached to the engineer's report.

## BOND APPLICATION NO. 8

Mr. Baker stated the draft Bond Application No. 8 is currently under review.

## WATER PLANT NO. 3 ELEVATED STORAGE REHABILITATION

Mr. Baker updated the Board on the status of the power washing and cleaning of the exterior portions of the elevated storage tank at water plant no. 3 by Preventative Services and stated the total cost is \$24,500.00.

Following review and discussion, Director Cathcart moved to approve the engineer's report. Director Cox seconded the motion, which carried by unanimous vote.

## WEST MEMORIAL MUNICIPAL UTILITY DISTRICT ("WEST MEMORIAL") SEWAGE TREATMENT PLANT MEETING AND PROPOSED PLANT IMPROVEMENTS

Director Cox updated the Board on the West Memorial Plant site and reported on the West Memorial Sewage Treatment Plant meeting. Discussion ensued.

## OPERATION, REPAIR, AND MAINTENANCE OF ADMINISTRATIVE OFFICE AND DISTRICT WEBSITE

## SANITARY SEWER LINE REHABILITATION

Mr. Baker updated the Board on the sanitary sewer line rehabilitation project at the District administration building by Katy Plumbing. Mr. Baker stated the project is expected to be complete in the first week of September 2019.

## ADMINISTRATION BUILDING AND PARKING LOT REHABILITATION

Discussion ensued regarding additional required maintenance at the District administration building, including interior and exterior painting, and the parking lot light pole rehabilitation. Director Savage stated that City Maintenance has begun the work.

Mr. Baker requested approval of a task order from City Maintenance in the amount of \$10,213.00 for the additional work related to the wooden doors and wainscoting. Mr. Baker stated the interior improvements are expected to be complete by the first week of September and the total cost is \$88,412.00. After discussion, Director Cox moved to approve the task order from City

Maintenance in the amount of \$10,213.00 for the additional interior improvements related to the wooden doors and wainscoting. Director Cathcart seconded the motion, which carried by unanimous vote.

SECURITY CAMERA EQUIPMENT MAINTENANCE

The Board discussed vandalism that occurred at the Cinco Regional Sewage Treatment Plant and the proposed installation of 4 security cameras. Ms. Johnson stated one of the current security cameras records blurry images at the administrative building and she is working with NCS on the repair.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY

There was no discussion on this matter.

There being no further business to come before the Board, the Board concurred to adjourn the meeting.



Secretary, Board of Directors

(SEAL)



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